

1 BILL NO. R-83-09-38

2 RESOLUTION NO. R-

78-82

3 A RESOLUTION FINDING, DETERMINING
4 AND RATIFYING AN INDUCEMENT RESOLUTION
5 OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
6 AUTHORIZING THE ISSUANCE AND SALE OF
7 \$800,000.00 ECONOMIC REVENUE BONDS OF THE
8 CITY OF FORT WAYNE, INDIANA,
9 FOR THE PURPOSE OF INDUCING THE APPLICANT,
10 LYN-MONT MANUFACTURING, INC.
11 TO PROCEED WITH THE ACQUISITION
12 CONSTRUCTION AND EQUIPPING OF THE PROJECT.

13 WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is
14 authorized by I.C. Sec. 36-7-12 (the "Act") to issue revenue
15 bonds for the financing of economic development facilities, the
16 funds from said financing to be used for the acquisition,
17 construction and equipping of said facilities, and said facili-
18 ties to be either sold or leased to another person or directly
19 owned by another person; and

20 WHEREAS, Lyn-Mont Manufacturing, Inc. (the "Applicant") has
21 advised the Fort Wayne Economic Development Commission and the
22 Issuer that it proposes that the Issuer acquire and equip an
23 economic development facility and sell and/or lease the same to
24 the Applicant or loan proceeds of an economic development
25 financing to the Applicant for the same, said economic develop-
26 ment facility to be purchase of assets from Dunlop Tire & Rubber
27 including the costs of issuance (the "Project"); and

28 WHEREAS, the diversification of industry and an increase in
29 35 jobs to be achieved by acquisition and construction and
30 equipping of the Project will be of public benefit to the health,
31 safety and general welfare of the Issuer and its citizens; and

32 WHEREAS, having received the advice of the Fort Wayne
Economic Development Commission, it would appear that the
financing of the Project would be of public benefit to the
health, safety and general welfare of the Issuer and its
citizens; and

1 WHEREAS, the acquisition and construction of the faci-
2 lity will not have an adverse effect on any similar facility
3 already constructed or operating in or about Fort Wayne,
4 Indiana.

5 NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
6 THE CITY OF FORT WAYNE, INDIANA:

7 SECTION 1. The Common Council finds, determines, rati-
8 fies and confirms the promotion of diversification of economic
9 development and job opportunities in and near Fort Wayne,
10 Indiana and in Allen County, is desirable to preserve the
11 health, safety and general welfare of the citizens of the
12 Issuer; and that it is in the public interest that Fort Wayne
13 Economic Development Commission and said Issuer take such action
14 as it lawfully may to encourage diversification of industry and
15 promotion of job opportunities in and near said Issuer.

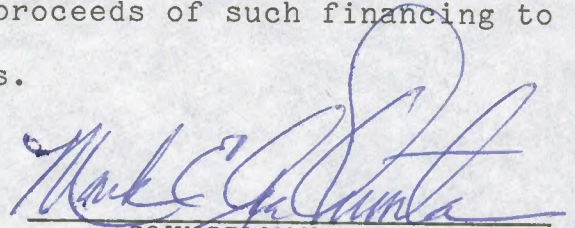
16 SECTION 2. The Economic Development Commission in
17 recommending the project, found specifically that the project
18 will not have an adverse competitive effect on similar facilities
19 already constructed or operating in Allen County, Indiana, and
20 the Common Council has also held a hearing and specifically finds
21 that the project will not have an adverse competitive effect on
22 similar facilities already constructed or operating in Allen
23 County, Indiana.

24 SECTION 3. The Common Council further finds, deter-
25 mines, ratifies and confirms that the issuance and sale of reve-
26 nue bonds in an amount not to exceed \$800,000.00 of the Issuer
27 under the Act for the acquisition, construction and equipping of
28 the Project and the sale or leasing of such a financing to the
29 Applicant for such purposes will serve the public purpose
30 referred to above, in accordance with the Act.

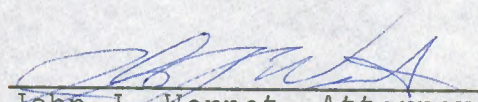
31 SECTION 4. In order to induce the Applicant to proceed
32 with the acquisition, construction and equipping of the Project,

1 the Common Council hereby finds, determines, ratifies and con-
2 firms that (i) it will take or cause to be taken such actions
3 pursuant to the Act as may be required to implement the afore-
4 said financing, or as it may deem appropriate in pursuance
5 thereof, provided that all of the foregoing shall be mutually
6 acceptable to the Issuer and the Applicant; and (ii) it will
7 adopt such ordinances and resolutions and authorize the execu-
8 tion and delivery of such instruments and the taking of such
9 action as may be necessary and advisable for the authorization,
10 issuance and sale of said economic development bonds.

11 SECTION 5. All costs of the Project incurred after the
12 passage of this Inducement Resolution, including disbursement or
13 repayment of the Applicant of monies expended by the Applicant
14 for planning, engineering, interest paid during construction,
15 underwriting expenses, attorney and bond counsel fees, acquisi-
16 tion, construction and equipping of the Project will be per-
17 mitted to be included as part of the bond issue to finance said
18 Project, and the Issuer will thereafter either sell or lease the
19 same to the Applicant or loan the proceeds of such financing to
20 the Applicant for the same purposes.

21 
22 _____
23 COUNCILMAN

24 APPROVED AS TO FORM AND
25 LEGALITY.

26 
27 John J. Wernet, Attorney for the
28 Economic Development Commission
29 Dated this 12th day of Sept, 1983

Read the first time in full and on motion by Gia Quinta, seconded by Stu, and duly adopted, read the second time by title and referred to the Committee Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on _____, 19____, at _____ o'clock 11.M., E.S.T.

DATE: 9-13-83

Sandra E. Kennedy
CITY CLERK

Read the third time in full and on motion by Gia Quinta, seconded by Stu, and duly adopted, placed on its passage. PASSED (~~LOST~~) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>9</u>	_____	_____	_____	_____
<u>BRADBURY</u>	<u>✓</u>	_____	_____	_____	_____
<u>BURNS</u>	<u>✓</u>	_____	_____	_____	_____
<u>EISBART</u>	<u>✓</u>	_____	_____	_____	_____
<u>GiaQUINTA</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCHMIDT</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCHOMBURG</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCRUGGS</u>	<u>✓</u>	_____	_____	_____	_____
<u>STIER</u>	<u>✓</u>	_____	_____	_____	_____
<u>TALARICO</u>	<u>✓</u>	_____	_____	_____	_____

DATE: 9-27-83

Sandra E. Kennedy
- CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as ~~(ZONING MAP)~~ ~~(GENERAL)~~ ~~(ANNEXATION)~~ ~~(SPECIAL)~~ ~~(APPROPRIATION)~~ ORDINANCE (RESOLUTION) NO. Q-78-83 on the 27th day of September, 19 83.

ATTEST:

(SEAL)

Sandra E. Kennedy

Ray A. Ebert

CITY CLERK

PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 28th day of Sept., 19 83, at the hour of 11:30 o'clock 11.M., E.S.T.

Sandra E. Kennedy

CITY CLERK

Approved and signed by me this 30th day of September 19 83, at the hour of 12 o'clock P.M., E.S.T.

Win Moses Jr.

WIN MOSES, JR. - MAYOR

BILL NO. R-83-09-38

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS REFERRED AN
~~ORDINANCE~~ AUTHORIZING THE ISSUANCE AND SALE OF \$800,000.00
ECONOMIC REVENUE BONDS OF THE CITY OF FORT WAYNE, INDIANA, FOR THE
PURPOSE OF INDUCING THE APPLICANT, LYN-MONT MANUFACTURING, INC.

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE DO PASS.

MARK E. GIAQUINTA, CHAIRMAN

JAMES S. STIER, VICE CHAIRMAN

JANET G. BRADBURY

SAMUEL J. TALARICO

DONALD J. SCHMIDT

Janet G. Bradbury
Samuel J. Talarico
D. Schmidt

Concurred in 9-27-83 Sandra E. Kennedy

APPLICATION TO
FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
FOR "LOANS THROUGH LENDERS" PROGRAM
FORT WAYNE, INDIANA



I. GENERAL INFORMATION

- A. Name of Applicant: LYN-MONT MANUFACTURING, INC.
- B. Applicant's Principal Address: 4208 Clubview Drive
Fort Wayne, Indiana 46804 Telephone: (219) 432-3561
- C. Applicant's legal organization (e.g. corporation, partnership, sole proprietorship, joint venture, etc.):
Corporation
- D. Under laws of what state is the applicant organized?:
Indiana
- E. Business in which applicant is engaged: Manufacturing
metal fittings & hose assemblies for use in fluid power transmission
lines and industrial discharge systems
- (1) S.I.C. Code: 3428
- F. How long has applicant been in operation in Allen County?:
Business being acquired is 9 years old.
Applicant is newly-formed corporation.

II. MANAGEMENT

A. Principal Operating Personnel:

<u>Name</u>	<u>Title</u>
<u>Keith Henninger</u>	<u>President</u>
<u>Nigel Williamson</u>	<u>Vice-President</u>
<u>Jeff Crawford</u>	<u>Treasurer</u>
<u>Dave Noone</u>	<u>Secretary</u>

- B. All persons or firms having an ownership interest of 10% or more in the applicant organization.

<u>Name</u>	<u>% Ownership</u>
<u>Nigel Williamson, David Noone,</u>	<u>25% each</u>
<u>Keith Henninger, Jeff Crawford</u>	<u></u>

- C. Persons who have either a legal interest in the applicant or a debt obligation from/to the applicant, and are a member of either the Fort Wayne Economic Development Commission, Common Council of Fort Wayne, or Allen County Council:

None

- D. Has any person listed above been convicted of a felony, or convicted of, or enjoined from any violation of a state or federal securities law within the past ten years:

Yes No X

III. PROPOSED PROJECT

- A. Briefly describe the proposed project (attach renderings if available): To purchase the machinery and fixtures of

Lyn-Mont Mfg. Co., Inc. from Dunlop Tire & Rubber.

The proposed purchase is a managerial buy-out.

- B. Proposed amount of bond issue: \$800,000.

- C. How are the proceeds of the issue to be used (Itemize by category of expenditure):

<u>Existing machinery & equipment</u>	<u>\$ 750,000</u>
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<u>Computer system & software</u>	<u>50,000</u>
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\$ 800,000.

- D. Additional finance sources to be used if bond issue is not sufficient to complete proposed project:

Subordinated note from seller

E. Where is the proposed project to be located (Give both street address and legal description): _____

4208 Clubview Drive

Fort Wayne, Indiana 46804

(1) Is project solely within the city limits of Fort Wayne: Yes: _____ No: X

(2) If no, will you waive your right to remonstrate annexation: Yes: X No: _____

(3) Is project solely within the Fort Wayne Community School District: Yes: _____ No: _____

(4) If no, name of school district in which project is located: _____

F. Approximate size of tract or parcel on which project will be situated: N/A - leased

G. Will any portion of proposed project be leased from another entity: Yes: X No: _____

(1) If yes, name entity and describe portion to be leased: Nick Litchen - all land and building

H. What is existing zoning classification on parcel:

N/A - Existing facility General Industrial MZ

I. What zoning classification does project require:

N/A - Existing facility General Industrial MZ

J. Are water and sewer available for access:

Yes: X No: _____

(1) If no, how will access to these utilities be obtained: _____

K. Are septic tanks or other temporary sewage treatment and disposal facilities to be used in lieu of sewer:

Yes: ____ No: X

(1) If yes, describe facility: _____

L. Briefly describe any adverse environmental impact upon land, air, water or noise which is anticipated as a result of the proposed project: _____

None - facility is self-contained

IV. JOBS AND PAYROLLS -

A. Number of Employees:

(1) At time of application: 40

Full Time: 39 Part Time: 1

(2) Within year of project completion: 40

Full Time: 39 Part Time: 1

(3) Within 3 years of project completion: 75

Full Time: 75 Part Time: -

B. Briefly describe the category and nature of the new jobs to be created: _____

Light manufacturing

C. Annual Payroll:

- (1) At time of application: \$700,000.
- (2) Within year of project completion: \$742,600.
- (3) Within 3 years of project completion: \$1,300,000.

D. If project is not funded by the "Loan Through Lenders" program, is there a substantial possibility of loss of existing jobs in Allen County: Yes: X No:

- (1) If yes, give number of jobs to be lost and approximate annual payroll loss:

40 - \$700,000.

V. MISCELLANEOUS INFORMATION -

A. Applicant's net worth as of the end of the calendar quarter preceding the date of application:

Applicant -0- (Newly formed corporation)

Existing corporation - 2.2 million being acquired

B. Has the proposed project been informally reviewed by bond counsel: Yes: No:

- (1) If yes, what is name of bond counsel firm:

C. Name, address and telephone of contact person for further details on project:

Keith Henninger

5333 Bluffton Road

Fort Wayne, Indiana 46809

747-5615 (after 5 P.M.)

VI. APPLICANT'S CERTIFICATION

I/We certify that all information in this application and attached exhibits are true and complete to the best of my/our knowledge and belief. Verification may be obtained from any source named herein.

Keith A. Winger
(Signature)

Aug 11, 1983
(Date)

Dorothy M. Winger
(Signature)

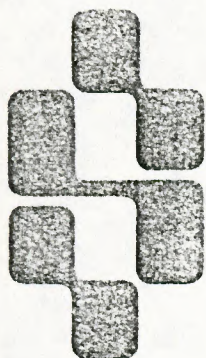
VII. EXHIBITS

- A. Applicant's Financial Statements (for past 3 years).
- B. Applicant's Two Year Income Projection.
- C. Breakdown of project costs with written estimates from contractors and suppliers.
- D. Proof of applicant's equity contribution (if any).
- E. Schedule of Applicant's existing debt and encumbered assets.
- F. Personal financial statements for each owner (if applicable).
- G. Letter of commitment from local lender for a letter of credit.

Return to:

E.D.C. Coordinator
Department of Economic Development
City County Building, Room 840
One Main Street
Fort Wayne, IN 46802

(219) 427-1127



D.P. Gray
Dunlop Limited

August 10, 1983

Dear Mr. Gray:

This letter is to confirm the interest of Peoples Trust Bank in assisting a local group purchase the assets of Lyn-Mont Manufacturing Co., Inc.. We have reviewed the various financial data and are confident a financing package can be arranged based on Dunlop's participation in the purchase. We have presented to the prospective buyers, several financing alternatives which may be available for this purchase. These alternatives are based on Dunlop holding a subordinated note for at least \$200,000.00 for a period of two years. While this note could be interest bearing, the entire principal balance could not be payable until maturity.

Depending on the amount and the terms of the final, agreed upon sale price, the terms of the subordinated note could be adjusted. Upon Dunlop's favorable review of the forthcoming offer, it is our hope to consummate this transaction within the next several months.

If you have any questions concerning the Bank's role in this transaction, please feel free to call myself or Jeff Mick, (219-427-8394).

Best regards,

Daniel E. Goller
Assistant Vice President
219-427-8395

DEG:lkp

6444

Admn. Appr. _____

DIGEST SHEETTITLE OF ORDINANCE Resolution of Appeal Q-83-09-41DEPARTMENT REQUESTING ORDINANCE City ControllerSYNOPSIS OF ORDINANCE The following is the cut that was made by theAllen County Tax Adjustment Board which I am asking the State TaxCommission to restore:

<u>Item Cut</u>	<u>1984 Levy</u>	<u>1984 Rate</u>
<u>Sewer Relief Fund</u>	<u>\$250,000</u>	<u>From .0305 to</u>
		<u>.0229</u>

EFFECT OF PASSAGE Appeal to State Tax Commission to restore amount
cut from 1983 Budget of Civil City of Fort Wayne.

EFFECT OF NON-PASSAGE Money not restored to budget.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) _____

ASSIGNED TO COMMITTEE (PRESIDENT) _____